

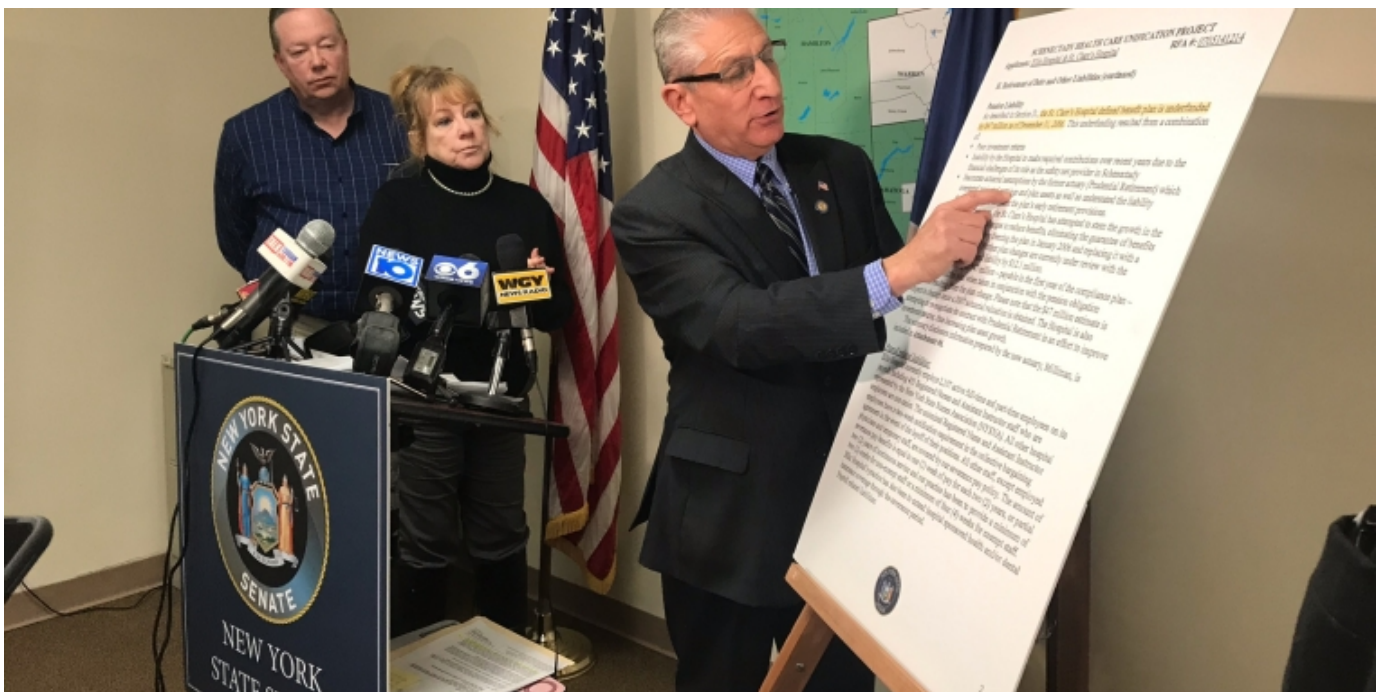


NEW YORK STATE SENATOR

James Tedisco

BREAKING: Attorney General's Office Tells Senator Tedisco that Court Rules in Favor of St. Clare's Pensioners in Hospital Board Dissolution Case

SENATOR JIM TEDISCO May 8, 2020



Breaking News tonight -- Senator Jim Tedisco (R,C,I,REF-Glenville) today announced he has received news from the Office of New York State Attorney General Letitia James regarding their investigation into the collapse of the Pension Fund for the former St. Clare's Hospital in Schenectady, which has left 1,100 dedicated retirees with no or significantly reduced pensions.

The Attorney General's Office tonight told Senator Tedisco that the court has ruled on their motion to block the dissolution of the Pension Fund. The Attorney General will now have access to over 100 pieces of evidence to examine regarding the Fund and its collapse as well as the ability to depose the Fund's Board President and Board Attorney.

The beleaguered St. Clare's Pensioners will now be a party at the table to future deliberations in the disillusionment hearing. The Board has tried to block the pensioners from having a voice at the table and according to the Attorney General's Office, the Board tried to take whatever money was left in the Fund and leave.

In December, Senator Tedisco provided the Attorney General's office with a startling document that he received from an anonymous source that says the "St. Clare's Hospital defined benefit plan is underfunded by \$47 million as of December 31, 2006," and not the \$28 million originally allocated by the state in the consolidation agreement. The document raised significant questions about what happened to the money that was meant to go to the retirements of the St. Clare's Pensioners.

"This is positive news for the 1,100 dedicated St. Clare's Hospital health care professionals who provided compassionate care at the former St. Clare's Hospital for many people for so many years and saw their retirement savings vanish through no fault of their own. I want to thank the Attorney General for her and her office's efforts on this case. This is the first step in getting to the bottom of what happened to the Pension Fund the retirees worked so hard for so we can help find a way to make them whole," said Senator Jim Tedisco.

"Congratulations to St. Clare's Pension Recovery Alliance Chair Mary Hartshorne and all the retirees for their advocacy and diligence as we continue to seek justice for them."

St. Clare's Hospital was closed a decade ago by a requirement of the state's Berger Commission in its mission to right-size New York's health care facilities, and its operations were absorbed by Ellis Medicine. At the time, the state paid \$58.7 million to cover transition

costs, including \$28 million to cover the anticipated needs of the St. Clare's Pension Fund. Unfortunately, for reasons not yet fully identified, that was not enough to cover the fund's pension costs. Since federal law permits a religious exemption, the St. Clare's pension fund has no benefit guarantee insurance.